

ACT/015/020

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PROFESSIONAL BUILDING
90 WEST 1ST NORTH
PRICE, UTAH 84501

TELEPHONE
AREA CODE 801
637-1245
637-1246

September 13, 1978



State of Utah
Department of Natural Resources
Board of Oil, Gas, and Mining
1588 West North Temple
Salt Lake City, Utah 84116

Re: Delta Mine

Pursuant to prior telephone conversations and correspondence with your office, I have prepared and enclose the following:

1. A check from Utah West to the Department for \$744038. This is to replace my personal check that I left with you several months ago. Would you please hold this check until the proposal to escrow money is considered by the Executive Committee of the Department and approved. The escrow agreement, you will note, calls for payment of \$310.00 per month for a period of 24 months. If you cannot hold the check under your procedures then cash it and Utah West would request the refund if and when the escrow is approved.
2. The Agreement and Escrow papers to pay \$310.00 per month into the escrow account toward the reclamation costs.

Thank you.

Duane A. Frandsen

DAF:vc

cc: Mr. Lloyd Mecham



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Found original
check in file
Gave check to
Accounting 11-20-2013

UTAH WEST MINING &
DEVELOPMENT, INC.
867 NORTH 8TH EAST 637-0619
PRICE, UTAH 84501

253

97-204/1243

Pay to the
order of

Aug 30 1978
State of Utah, Division of Oil, Gas & Mining \$7,440.⁸³
Seven Thousand Four Hundred Forty & 83/100 Dollars

PRICE OFFICE
First Security Bank of Utah
NATIONAL ASSOCIATION
180 EAST MAIN • PRICE, UTAH 84501

Lloyd B Mechem
Lloyd J Mechem

1. The first part of the document is a list of names and addresses of the members of the committee.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
BOARD OF OIL, GAS, AND MINING
1588 West North Temple
Salt Lake City, Utah 84116

* ESCROW AGREEMENT *

AGREEMENT made this _____ day of September 19 78,
between the Board of Oil, Gas, and Mining, hereinafter called the Board,
Utah West Mining and Development Inc.
hereinafter called the Operator, and First Security Bank of Utah, Price Office
hereinafter called the ESCROWEE.

WHEREAS, the Board and the Operator have entered into a Mined Land
Reclamation Agreement upon terms and conditions therein set forth

WHEREAS, the Operator desires to execute an Escrow Agreement in lieu
of furnishing a Bond or other form of surety for the purpose of meeting the
requirements of Section 40-8-14, UCA, 1953.

IT IS THEREFORE AGREED:

1. Deposit of Escrow Fund. Commencing on the Nov. 25 day
of 19 78, and on the same date each month thereafter, the Escrowee
agrees to accept and the Operator agrees to deposit (\$310.00)
dollars, in what will be hereinafter referred to as the Escrow Fund,
until such time as said Escrow Fund contains (\$7440.38)
dollars, excluding interest. All interest earned by the monies in
said Fund shall accumulate to the benefit of the Fund until this
Escrow Agreement is terminated by mutual consent of the undersigned
or disbursement of the Funds therein is ordered by a court of
competent jurisdiction.
2. Depository of Fund. The Fund shall be held by the Escrowee in an
interest bearing account separate and apart from the personal funds
of the Escrowee until such time as the Escrowee receives written
direction, with respect to the disbursement of said Fund,
together with interest earned thereby, signed by both the Board
and the Operator.

3. Disputes. In the event of any disagreement between the undersigned or any of them, and/or any other person, resulting in adverse claims and demands being made in connection with any money, or property involved herein or affected hereby, the Escrowee shall be entitled at its option to refuse to comply with any such claim or demand, so long as such disagreement shall continue, and in so refusing, the Escrowee shall not become liable to the undersigned or any of them or to any other person for failure or refusal to comply with such conflicting or adverse demands and the Escrowee shall be entitled to continue to refrain and refuse to act until:
 - (a). the rights of the adverse claimants having been finally adjudicated in a court assuming and having jurisdiction of the parties, the money and property involved herein or affected hereby; and/or
 - (b). all differences shall have been adjusted by agreement and the Escrowee shall have been notified thereof in writing signed by all of the interest parties.
4. Liability of Escrowee. The Escrowee shall not be liable for any error of judgement or for any act done or step taken or omitted by him in good faith, or for any mistake of fact or law or for anything which he may do or refrain from doing in connection herewith, except his own willfull misconduct.
5. Protection of Escrowee. The Escrowee shall be protected in acting upon any notice, request, waiver, consent, receipt of other paper or document believed by the Escrowee to be genuine and to be signed by the proper party or parties.
6. Accounting. The Escrowee shall under no circumstances, be compelled to furnish a formal accounting for the Escrow Fund other than at the end of each calendar or fiscal year, to notify the Board and the Operator as to the date each payment was made into said Fund, the total amount contained therein and the interest accumulated thereby.

7. Fee. The fee of the Escrowee has been fixed by the Operator and the Escrowee under separate agreement. The Escrowee shall not be entitled to any additional fee for services rendered under this agreement.
8. Modification. This agreement may not be altered or modified without the express written consent of the Operator, the Board and the Escrowee.

IN WITNESS WHEREOF, the parties of the first and second parts hereto have respectively set their hands and seals this _____ day of
September 19 78.

UTAH WEST MINING & DEVELOPMENT, INC.

By: Walter B. McCham
President

FIRST SECURITY BANK OF UTAH, N.A.
Price Office

By _____
Manager

ATTEST:

Joy McCham
Secretary

BOARD OF OIL, GAS, AND MINING

By: Daniel Stewart